

MINUTES
HOUSING AND COMMUNITY DEVELOPMENT COMMISSION (HCDC)
Meeting – September 23, 2009
Fresno City Hall, Room 2165A - 2nd Floor
2600 Fresno Street
Fresno, California 93721

A. CALL TO ORDER

With a quorum being present, the meeting was called to order by Chair Cox at 5:04 p.m.

Commissioners

Present:

Rogenia Cox, CHAIR
Armando Rodriguez, VICE-CHAIR
Louise Bauer Davoli, Commissioner
Jas Singh, Commissioner
Sandy Cha, Commissioner

Absent:

Izzy Einsidler, Commissioner
Jeffrey Harrington, Commissioner

Staff

Present:

Claudia Cázares, Manager
Housing and Community Development
Kathy Cornell, Acting Recording Secretary

Absent:

Keith Bergthold, Assistant Director
Planning and Development Department

B. COMMUNICATIONS

None

C. APPROVAL OF MINUTES

Minutes of September 9, 2009 were approved as presented.

D. GENERAL ADMINISTRATION

1. RECOMMEND APPROVAL OF A \$160,000 DISPOSITION AND DEVELOPMENT AND HOME AGREEMENT WITH HABITAT FOR HUMANITY FRESNO, INC., FOR CONSTRUCTION OF TWO AFFORDABLE SINGLE-FAMILY HOMES ON EAST GARRETT AVENUE

Corrina Nunez, Housing and Community Development Division provided the report to Commissioners. Ms. Nunez provided background information on the project. Sandy Cha requested clarification of a HOME subsidy. Ms. Cázares clarified that the City receives an entitlement of HOME funds for housing development. The HOME subsidy for the project will be a silent second mortgage for an eligible homebuyer. Commissioner Davoli requested clarification regarding sweat equity and the Fair Marketing Plan. Tony Miranda, Habitat for Humanity clarified that a marketing and recruitment process is done to select a family. The chosen family works on the construction of the home and receives "sweat equity" credit toward the purchase of the home. Vice-Chair Rodriguez requested clarification regarding references made in the Agreement that are not applicable to the project. Ms. Nunez explained that the agreement is a draft and is being reviewed by City attorneys. Commissioner Davoli requested clarification regarding the sale of the affordable home during the affordability period. Ms. Cázares explained that the loan is due and payable when the home is no longer the homebuyer's principle place of residence. The funds are put into the City's HOME Program Trust Fund and used for future affordable housing projects. Mr. Miranda explained that Habitat has the first right of refusal to purchase the home from the family and move a new family in or allow the sale of the property to a low income family. Ms. Cázares clarified that the language in the Fiscal Impact section of the report is incorrect and should state that land was purchased with HOME funds. Vice-Chair Rodriguez inquired about the completion date of the project. Tony Miranda responded that the completion date will be 18 months from approval of the project.

Motion: Motion was made to recommend approval of item D1 by Commissioner Cha

Second: Commissioner Davoli seconded the motion.

Ayes: Cox, Davoli, Singh, Cha

Noes: None

Abstain: Rodriguez

2. RECOMMEND CITY COUNCIL APPROVE FY 2008-2009 ANNUAL ACTION PLAN SUBSTANTIAL AMENDMENT TO INCORPORATE FUNDING LEVELS AND ACTIVITIES FOR SELECTED SUBGRANTEES UNDER THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) AND ADOPT THE NSP PROGRAM INCOME REUSE PLAN

Claudia Cázares, Housing and Community Development Division provided the report to Commissioners. Ms. Cázares provided background information on the project. Ms. Cázares explained that HUD requires the amendment to specify the funding levels that each of the sub recipients and developers will use. The categorical activities required in the breakdown include; property acquisition, housing rehabilitation and direct financial assistance. The second recommendation is to adopt the Program Income Reuse Plan. Ms. Cázares explained that the funds used for acquisition and rehabilitation of the home will be credited back to the developer from the primary mortgage the homebuyer obtains to purchase the home. Commissioner Davoli requested clarification of how the activity funding levels were determined. Ms. Cázares clarified that the funding levels for the activities may be amended in the future. Nathan Magsig, CURE, explained that CURE's funding levels were determined by taking an average cost of previously purchased and rehabilitated bank owned homes.

Motion: Motion was made to recommend approval of item D2 by Vice-Chair Rodriguez

Second: Commissioner Davoli seconded the motion.

Ayes: Cox, Rodriguez, Davoli, Singh, Cha

Noes: None

Abstain: None

3. RECOMMEND APPROVAL OF AN AMENDMENT TO THE GROUND LEASE AGREEMENT AND AN AGREEMENT FOR PURCHASE AND SALE AND ESCROW INSTRUCTIONS BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO (THE "AGENCY") AND UNIWELL FRESNO HOTEL, LLC (THE "LESSEE"), FOR THE SALE OF THE UNDERLYING FEE INTEREST OF THE LAND UNDER THE RADISSON HOTEL, 2223 VENTURA STREET, IN THE AMOUNT OF \$2,900,000 INCLUDING CONSIDERATION OF AN AMENDMENT TO A SUBLEASE BETWEEN UNIWELL FRESNO HOTEL, LLC AND THE CITY OF FRESNO PROVIDING FOR THE SIMULTANEOUS EXERCISE OF FOUR (4) FIVE (5) YEAR OPTIONS, AND EXTENDING A PURCHASE OPTION ON THE CONFERENCE CENTER AND PARKING STRUCTURE, IN THE MERGED AREA #1 REDEVELOPMENT PROJECT AREA (CONVENTION CENTER PROJECT AREA); AND, APPROVAL OF A 2009 REIMBURSAL AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND THE CITY OF FRESNO

John Raymond, Redevelopment Agency provided the report to Commissioners. Mr. Raymond provided background information on the project. Vice-Chair Rodriguez requested clarification regarding the four five year options. Mr. Raymond explained that the amendment allows an early purchase of the property upon mutually agreed terms. Commissioner Davoli requested clarification regarding the annual rent. Mr. Raymond explained that the \$30,000 annual rent is for a portion of the parking structure and a portion of the conference center. Vice-Chair Rodriguez inquired about what the benefits of this project would be to the City or RDA. Mr. Raymond explained the City would have additional funds to reinvest in other projects. The sale of the property would be an opportunity to retire debt and restate the repayment and reimbursement agreements between the City and Agency into a new, consolidated and updated 2009 Reimbursement Agreement. Jeff Reid, McCormick Barstow Legal Council, assisted in answering commissioner's questions.

Motion: Motion was made to recommend approval of item D3 with an additional recommendation to include that the funds be used for the liquidation of outstanding bonds on the project by Vice-Chair Rodriguez.

Second: Commissioner Singh seconded the motion.

Ayes: Cox, Rodriguez, Singh

Noes: Davoli

Abstain: Cha

E. INFORMATIONAL REPORTS

None

F. COMMISSIONERS' ITEMS

Commissioner Davoli informed the commissioners that she invited Craig Scharton to give a brief presentation on the Downtown Community Revitalization goals.

G. UNSCHEDULED ORAL COMMUNICATIONS

None

H. ADJOURNMENT

Next Regularly Scheduled Commission Meeting: **October 14, 2009.**

There being no further business to bring before the Housing and Community Development Commission, the meeting adjourned at 6:10 p.m.

Attest: Rogenia Cox, Chair

Attest: Claudia Cázares, Manager
Housing and Community Development